(c) and (d) Each banking institution has to evaluate the country risk and charge appropriate commission as per its risk perspection of the counter party including country risk. This (charging of commission) would vary in respect of letters of credit (L/Cs) opened in favour of importers importing goods and services from overseas territories. Similarly, charges on account of commission would vary while accepting LCs opened in favour of Indian exporters based on the counter party and country risk evaluation. The banks arc, therefore, required to keep close watch on the emerging economic conditions of the countries with which their customers deal as laid down in the risk management procedures practiced by them.

Shortcomings in New EXIM Policy

†3676. SHRI JANESHWAR MISHRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that it is impossible to achieve the set export target due to several types of shortcomings in Government's New EXIM Policy;

(b) if so, the details thereof;

(c) whether it is also a fact that the main categories of producers in the countries have asked Government to be cautious of the losses which are going to occur to the country due to these shortcomings; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) to (d) The government is optimistic of achieving the export target of 1% of the global trade in 2007-by initiating certain measures in the new EXIM Policy such as recognising towns of export excellence; removal of all exports restrictions barring a few sensitive items; transforming specified rural regions as regional rural motors through the concept of the Agricultural Export Zones; permitting facilities

†Original notice of the question was received in Hindi.

such as overseas banking units, hedging of commodity risks and external commercial borrowings in the Special Economic Zones; introduction of transparent and simple and transparent procedure for the export promotion schemes, special dispensation to status holders and computerisation of functioning of various agencies related to exports thereby helping in reduction of transaction costs and time. The trade and industry including the apex chambers of commerce have by and large welcomed the new EXIM Policy without any reference to shortcomings.

Research on tobacco seeds

3677. SHRI C. RAMACHANDRAIAH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government arc aware that the Tobacco Board has not done substantial propaganda work in other countries on quality of Indian tobacco;

(b) if so, what steps Tobacco Board will take in this regard;

(c) whether Tobacco Board will take up research on providing quality seeds and better cultivation methods; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) and (b) The Tobacco Board has been continuously engaged in efforts to publicise, promote and popularise Indian tobacco in the international market. In addition to participating in international tobacco exhibitions and trade fairs, bringing out advertisements in the international media, etc., the Board has arranged the visits of delegations from major, tobacco importing nations in order to increase awareness of the benefits of Indian tobacco. A tobacco trade delegation was also organised to Egypt, Turkey, Rumania and Russia in April 2002 for this purpose.

(c) and (d) No, Sir. The responsibility for research and development in FCV tobacco cultivation lies with the Central